

## Message Text

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11  
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INFO OCT-01 ISO-00 SS-20 NSC-10 PRS-01 PA-04 CIAE-00

INR-10 NSAE-00 RSC-01 USIA-15 /076 R

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R 282034Z NOV 73  
FM SECSTATE WASHDC  
TO AMEMBASSY SAIGON  
INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS  
AMCONSUL BIEN HOA  
AMCONSUL CAN THO  
AMCONSUL DANANG  
AMCONSUL HONG KONG  
AMCONSUL NHA TRANG  
USDEL JEC PARIS  
USSAG NAKHON PHNOM  
CINCPAC  
COGARD POLAD  
XMT AMEMBASSY SUVA

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E.O. 11652 N/A  
TAGS: PFOR, XC, US  
SUBJECT: NOVEMBER 28 EA PRESS SUMMARY

CHINA

1. NYT REPORTS HOUSTON ANNOUNCEMENT BY M.W. KELLOGG CO.  
THAT IT RECEIVED FIVE PRC CONTRACTS FOR CONSTRUCTION  
OF FIVE AMMONIA PLANTS VALUED AT US 130 MILLION DOLLARS.  
EACH CALLS FOR DESIGN, ENGINEERING AND SUPPLY OF  
MATERIALS AND EQUIPMENT FOR 1000 TON DAILY OUTPUT  
PLANTS, LOCATIONS STILL UNKNOWN TO KELLOGG. THESE ARE IN  
ADDITION TO THREE SIMILAR CONTRACTS WORTH 70 MILLION,  
MAKING EIGHT PLANT TOTAL, PLUS JOINT CONTRACTS FOR TWO  
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OTHER PLANTS TO BE HANDLED JOINTLY WITH TOYO ENGINEERING  
OF JAPAN USING KELLOGG DESIGN. KELLOGG'S DUTCH AFFILIATE  
WILL ALSO BUILD EIGHT UREA PLANTS IN CHINA WITH 1620  
TON DAILY CAPACITY EACH.

2. PEKING AND LONDON ANNOUNCE DATES FOR PM HEATH/S OFFICIAL VISIT AS JAN- 4-12. JOC CALLS THIS CULMINATION OF RAPIDLY IMPROVING RELATIONS SINCE NADIR OF CULTURAL REVOLUTION; REPORTS BRITISH EXPORTS TO PRC, BOOSTED BY TRIDENT SALES, EXPECTED TO DOUBLE THIS YEAR TO AROUND US 168 MILLION.

3. JOC HK REPORTS THAT ATTENDANCE AT CANTON FAIR APPARENTLY DROPPED SLIGHTLY, PRESUMABLY BECAUSE BUYERS SCARED AWAY

BY HIGH PRICES AT SPRING FAIR. BUT TRADE VOLUME AT FAIR ROSE TO RECORD LEVELS OF BETWEEN US 1.4 BILLION DOLLS AND 1.6 BILLION, WHICH PROMPTS CONCLUSION THAT PRC TOTAL 1973 FOREIGN TRADE MAY REACH 7.2 BILLION, UP FROM 1972'S 5.6 BILLION. 200-ODD AMERICANS AT FAIR PURCHASED ESTIMATED US 25-30 MILLION AND SOLD 10-15 MILLION. US PURCHASES WERE CHIEFLY HANDICRAFTS, GARMENTS, TEXTILES AND CHEMICALS, WHILE SALES WERE CHIEFLY IN CHEMICAL FIELD.

4. NYDN SPECIAL CORRESPONDENT ALAN CASTRO IN HK SAYS PHILS, THAILAND AND MALAYSIA ON VERGE OF ESTABLISHING DIPLOMATIC RELATIONS WITH PRC, ACCORDING TO "DIPLOMATIC OBSERVERS". QUOTES MARCOS' PRESS SECRETARY TATAD IN HK NOV. 26 AS SAYING PHILS ARE ABOUT TO ESTABLISH "ECONOMIC UNDERSTANDING" WITH PRC, AND "GREATER POLITICAL UNDERSTANDING WILL LOGICALLY FOLLOW". HK SOURCES SAID THAI AND PRC OFFICIALS SECRETLY MEETING IN NY; MALAYSIA EXPECTED TO BE FIRST ASEAN MEMBER TO RECOGNIZE PRC, AND SINGAPORE EXPECTED TO FOLLOW MALAYSIAN LEAD. CASTRO SAYS TREND "REFLECTS THE WARMING OF RELATIONS" BETWEEN THE US AND PRC.

AUSTRALIA

5. UPI (NYDN) REPORTS GOV. REAGAN WHILE ON 3 NATION UNCLASSIFIED

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TRADE TOUR DEFENDED PRESIDENT WHILE IN SYDNEY. NYT, DUSTING OFF YESTERDAY'S STORY, SAID THAT WHEN PRESSED IN SYDNEY ABOUT JUSTIFICATION FOR FUEL EXPENDITURE FOR TRIP, REAGAN SAID HE WAS "REPRESENTING PRESIDENT ON DRIVE TO INCREASE TRADE." HIS FIRST ENGAGEMENT IN SYDNEY WAS SPEECH TO 350 BUSINESSMEN ON GOVT ENCROACHMENT ON INDIVIDUAL RIGHTS (NYDN, UPI, NYT).

KOREA

6. NORTH-SOUTH REPS WILL MEET DEC. 5 TO DISCUSS RESUMPTION OF REUNIFICATION TALKS (CSM, WP). WP'S OBERDORFER REPORTS THAT FIRST ORDER OF BUSINESS WILL BE REORGANIZATION

OF COORDINATING COMMITTEE. SIGNS POINT TO KCIA CHIEF LEE'S REMOVAL AS HEAD OF SK SIDE; IN RECIPROCAL GESTURE, NK MAY DROP KIM IL-SONG'S BROTHER. INFORMED SOURCES SAY REMOVAL OF LEE MAY BE FIRST STEP IN REPLACEMENT OF KCIA CHIEF WHOSE ACTIVITIES HAVE CREATED CONTROVERSY AND EMBARRASSMENT (WP).

7. IN CONTINUATION OF STUDENT PROTESTS, 500 UNIVERSITY STUDENTS CLASHED WITH POLICE, AT LEAST 50 ARRESTS MADE AT SUNG KYUN KWAN U. ANOTHER DEMONSTRATION OF

500 STUDENTS WAS HELD AT SOGANG UNIVERSITY.

38 STUDENT MEMBER OF PRESBYTERIAN CHURCH STAGED FIRST STREET MARCH (OUTSIDE CHURCH) SINCE UNREST BEGAN LAST OCTOBER. 22 ARRESTED ON SIDEWALK (NYT, SUN).

#### PHILIPPINES

8. MARCOS DECLARED STATE OF CALAMITY IN SIX PROVINCES HIT BY TROPICAL STORM. A LEAST 75 KILLED, 12 INJURED AND 57 MISSING. NYDN SAYS US MARYKNOLL PRIEST GERLOCK PLED NOT GUILTY TO CHARGES OF GOP THAT HE WORKED FOR A SUBVERSIVE ORGANIZATION CALLED FEDERATION OF FREE FARMERS. IF CONVICTED HE FACES DEPORTATION AFTER 11 YEARS IN PHILIPPINES. ABOUT 50 PRIESTS AND NUNS ATTENDED HEARING, AS WELL AS US CONSUL PETERSON. CHARGES PUT ADDED STRAIN ON RELATIONS BETWEEN GOP UNCLASSIFIED

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AND MILITANT PRIESTS. NYT NOES 22 PRIESTS AND NUNS DETAINED AT VARIOUS TIMES UNDER MARTIAL LAW (NYT).

#### INDONESIA

9. SUMATRA MILITARY COMMANDER SAYS FOREIGN TRAWLERS REPEATEDLY CAUGHT FISHING ILLEGALLY WILL BE FINED HALF ESTIMATED VALUE OF VESSEL. ANTARA SAYS 22 TRAWLERS CAUGHT RECENTLY (AFP, WP).

#### JAPAN

10. JAPANESE FTC RAIDED OFFICES OF 13 MAJOR OIL WHOLESALERS AND PETROLEUM ASSOC IN SEARCH OF EVIDENCE OF PRICE FIXING. COMPANIES ALSO SUSPECTED OF ILLEGAL CURTAILMENT OF PETROLEUM SHIPMENTS. FTC OFFICIALS CHARGE PETROLEUM ASSOC INSTRUCTED WHOLESALERS TO RAISE PRICES 35 PERCENT OR MORE ON PETROLEUM DERIVATIVES SEVERAL TIMES THIS YEAR. RAIDS CAME AS COMPANIES PLANNED FOURTH INCREASE. WHOLESALERS JUSTIFY COORDINATION AS RESULT OF MITI-PLANNED CONSUMPTION CUTBACK. PROMINENT JAPANESE ECONOMIST TOLD JOC "WITH GOVT. DEMANDING CURBS ON OIL USAGE AND CONSIDERING RAISING

COST OF USING OIL PRODUCTS IT IS UNLIKELY FTC WILL BE ENCOURAGED TO PURSUE THIS MATTER." MEANWHILE, CABINET HAS INFORMALLY DECIDED TO SEND DEPUTY PM MIKI AS SPECIAL ENVOY TO TEN ARAB STATES TO URGE OPEC TO RELAX OIL EMBARGO, OFFERING INCREASED ECONOMIC AND TECHNOLOGICAL ASSISTANCE IN RETURN. UNOFFICIAL DECISION FOLLOWED OHIRA REPORT THAT GOJ HAD RECEIVED NO REACTION TO NOV. 22 "PRO-ARAB" DECLARATION. JAPANESE AMBASSADOR TO INTERNATIONAL ORGANIZATIONS

IN GENEVA, KITAHARA, MET WITH SAUDI OIL MINISTER YAMANI TO EXPLAIN GOJ ME POSITION (JOC).

11. TOKYO STOCK MARKET PLUNGED TO NEW YEARLY LOW WHEN DJ INDICATOR CLOSED DOWN 82.96, REFLECTING SHARP SETBACKS ON WALL STREET AND OTHER MAJOR FOREIGN EXCHANGES. WHILE OIL COMPANIES SUFFERED, COAL MINING STOCKS ROSE. US DOLLAR/YEN RATIO REMAINED UNCLASSIFIED

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UNCHANGED AND JOC REPORTS IT WOULD NOT BE SURPRISED IF BOJ DID NOT INTERVENE.

12. CHITRIB REPORTS US ANALYSTS SPECULATE BOJ MAY SWITCH HOLDINGS FROM LONG TERM USG ISSUES TO SHORTER MATURITY TREASURY BILLS, TO CUSHION SEVERE DETERIORATION OF JAPAN'S INTERNATIONAL RESERVE ACCOUNT. THIS RUMOR WAS FUELLED WHEN FED BOUGHT 400 MILLION DOLLAR TREASURY BILLS TO HOLD FOR CUSTOMER; SPECULATION IS CUSTOMER WAS BOJ.

13. DIRECTOR OF BANK OF TOKYO WAS NAMED GENERAL MANAGER OF NEW YORK BRANCH AS WELL AS ELECTED CHM OF BOARD OF BOT TRUST CO. (JOC).

14. HONDA, MITSUBISHI AND FUJI HEAVY IND. ANNOUNCE PRICE BOOSTS FROM 4.1 PERCENT TO 7.5 PERCENT FOR CARS AND TRUCKS SOLD DOMESTICALLY (NYDN FROM ASAHI).

15. JAPANESE SEAMEN'S UNION WARNS DOMESTIC SHIPPERS OF PLANNED STRIKE BY MARCH AGAINST SHIPPERS' USE OF LOW-SALARIED FOREIGN SEAMEN (JOC).

16. CONTRARY TO EARLIER AP STORY, PRESS REPORTS AND PHILS. ARAB LEAGUE SEC. GEN. RIAD SAID JAPAN AND PHILS WOULD BENEFIT FROM SAME EASING OF RESTRICTIONS GRANTED EEC (AP, WSJ). BOTH WILL BE EXEMPT FROM SCHEDULED 5 PERCENT DECEMBER CUT. ARAB OFFICIALS SAY EXEMPTION IS REWARD FOR POLICY MORE FAVORABLE TO "ARAB CAUSE" (NYT).

17. WINDER(CSM) REPORTS SUDDEN INTEREST IN PALESTINIAN

PLANNING TO INCREASE THEIR CONTRIBUTION TO UNRWA  
FOR AID TO PALESTINIANS.

,8. GOJ VICE FM HOGEN TOLD REUTER OF PROPOSAL  
18. GOJ VICE FM HOGEN TOLD REUTER OF PROPOSAL  
ON EEC DECLARATION ON COOPERATION PUT FORTH BY  
GERMANY, NETHERLANDS AND BELGIUM, NO DETAILS WERE

AND AN EARLIER FRENCH PROPOSAL UNTIL IT FINISHES  
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STUDY OF HAK PLAN FOR JOINT US, GOJ AND EEC COOPERATION  
(CSM).

19. CSM DOES BRIEF SKETCH ON FUKUDA, CALLING HIS  
APPOINTMENT "BITTERSWEET MOMENT".

INDOCHINA

20. VC RADIO QUOTES CAMBODIAN INSURGENT PRESS AGENCY  
THAT US COLONEL AMONG 74 OFFICERS "KILLED OR CAPTURED"  
BY KHMER REBELS FROM OCT. 15 TO NOV. 15. AMEMBASSY  
AND VC SPOKESMEN IN SAIGON SAY THEY KNOW NOTHING  
OF REPORT; DOD DENIES COLONEL MISSING (AP, NYT;  
WP).

21. REBELS TRY TO OUTFLANK GKR TROOPS PUSHING TO  
REOPEN ROAD, HIT FANK WITH MORTAR BARRAGES NEAR  
KOMPONG SPEU (UPI, NYDN). FIELD REPORTS SAY BOTH  
SIDES SUFFER MANY CASUALTIES IN FIGHT FOR ROUTE  
4 VILLAGE 36 MILES FROM PP (AP). REBELS AMBUSH  
FANK PATROL NEAR SALA LEK PRAM, ON ROUTE 5 TO BATTAMBANG,  
27 MILES NW OF PP (UPI, NYDN).

22. TWO 122-MM ROCKETS FIRED AT POCHENTONG MISS  
RUNWAY, DO NO DAMAGE (UPI, NYDN; AP; REUTER). FANK  
SOURCES SAY 27 REBELS, 2 GKR SOLDIERS KIA IN ENEMY  
ATTACK 12 MILES WEST OF PP (AP). HEAVY FIGHTING  
REPORTED AT VIHEAR SUOR, 10 MILES NE. MEKONG CONVOY  
ARRIVES AT PP AFTER ESCORT FIGHTS OFF 5 REBEL ATTACKS  
(UPI, NYDN). REBELS SHELL SURROUNDED TAKEO CITY  
AS KAF T-28S BOMB POSITIONS (REUTER; UPI, NYDN).

23. MCCOMBS FROM PP REPORTS ON FANK RECRUITMENT  
EFFORT AS BOTH SIDES RACE TO FILL RANKS. VIOLINS  
AND PRETTY GIRLS WELCOME ROOKIES AT FANK RECEPTION  
CENTER. DRAFT AND RECRUITING DRIVE, NOW 6 WEEKS  
OLD, HAVE YIELDED 9500 MEN. SOME SAY THEY WERE  
"ARRESTED" BY MPS, BUT MANY VOLUNTEERED TO FIGHT  
VC. DIPLOMATS SAY THAT THE 6 WEEKS OF BASIC TRAINING  
GIVEN AT 6 CENTERS THROUGHOUT THE COUNTRY DOES NOT  
PRODUCE HIGH-QUALITY SOLDIERS, BUT ONE FOREIGN MILITARY

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OBSERVER SEES THIS AS NOT IMPORTANT SO LONG AS TROOPS CAN SHOOT AND MAINTAIN THEMSELVES IN THE FIELD. MCCOMBS QUOTES HIGH-RANKING DIPLOMAT THAT IF GKR CAN FILL OUT ITS 253,000-MAN FORCE STRUCTURE, IT CAN'T BE BEATEN BECAUSE IT WILL HAVE TOO MANY MEN AND ARMS. AT ABOUT 180,000, FANK IS STILL 70,000 SHORT. REBELS ALSO BELIEVED TO BE HAVING RECRUITMENT

DIFFICULTIES, THOUGHT TO BE RESORTING TO FORCED CONSCRIPTION IN THEIR AREAS, AND ARE EXPECTED TO LAUNCH OFFENSIVE SOON.

24. UPI WASHINGTON REPORTS THAT DOS HAS REQUESTED IMMEDIATE RELEASE OF EMMET KAY, CIVILIAN PILOT HELD BY PL SINCE MAY, WHEN HE LANDED ON UNUSED AIRSTRIP IN PL-CONTROLLED AREA BECAUSE OF BAD WEATHER OR LACK OF FUEL.

25. RLG CHIEF OF STAFF SAYS TROOPS PREPARING TO MOVE 27 KM NE OF VIENTIANE TO NEUTRALIZE CAPITAL TO COMPLY WITH PEACE PROTOCOL, STATES PULLOUT WILL TAKE TIME BECAUSE OF LIMITED MILITARY BUDGET (UPI).

26. GVN DELEGATION O PARIS POLITICAL TALKS CITES VC REFUSAL TO MEET THURSDAY, BECAUSE OF ALLEGED GVN BOMBING RAIDS ON VC TERRITORY, AS ANOTHER EXAMPLE OF COMMUNIST ATTEMPTS TO MAKE PEACEFUL SOLUTION IMPOSSIBLE (UPI).

27. CLARITY (NYT) FROM VUNG TAU WRITES OF THIEU'S "ADMINISTRATIVE REVOLUTION" TO CUT RED TAPE AND "JOSTLE" GVN'S 278,000 CIVIL SERVANTS, 68,000 OF WHOM WORK IN SAIGON. SO FAR 12,000 HAVE PASSED THROUGH VUNG TAU TRAINING CENTER AND 3000 ARE NOW IN CAMP. PROGRAM AIMS AT EVENTUAL DECENTRALIZATION, SIMPLIFIED PAPER WORK AND REDUCED OFFICIAL CORRUPTION. SOME VN OFFICIALS SEE IT AS TACTIC TO DISTRACT PEOPLE FROM MILITARY AND ECON PROBLEMS. AFFECTED BUREAUCRATS SEEM DOUBTFUL ABOUT MERITS OF 6-WEEKS TRAINING THAT INCLUDES WEARING PEASANT-STYLE BLACK PAJAMAS, POLITICAL AND MILITARY LECTURES, INSTRUCTION  
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IN USE OF CAMOUFLAGE AND IN VIETNAMESE BOXING, AND SMALL-ARMS PRACTICE. LECTURES ADVOCATE ANTI-COMMUNISM AND ANTI-OFFICE-STAGNATION. NO RADIOS, TVS, TAPE RECORDERS OR LIQUOR ALLOWED; WOMEN TRAINEES KEPT IN SEPARATE CAMP SEVERAL MILES AWAY. SEVERAL

HUNDRED TRAINEES HAVE BEEN SENT TO THE PROVINCES  
TO HELP WITH REFUGEE REGISTRATION. AT REFUGEE  
SITE NEAR SAIGON, CLARITY NOTES NEWLY-TRAINED CIVIL  
SERVANTS HARD AT WORK WHILE REGULAR LOCAL OFFICIALS  
BUSY ADMIRING COLORED CHART, AND TURNING AWAY REFUGEES  
APPLYING FOR HELP BECAUSE "TOO BUSY".

28. UK FONOFF SPOKESMAN ANNOUNCES CAREER DIPLOMAT  
JOHN H. FAWCETT DESIGNATED FIRST AMBASSADOR TO  
HANOI (UPI PHINQ, NYDN). RELATIONS SINCE 1954  
HAVE BEEN HANDLED BY CHARGE (NYDN).

COMMENT AND ANALYSIS

29. LAT'S JAMESON (NOV. 26) REPORTS SPEECH BY  
HERMAN KAHN AT FOREIGN CORRESPONDENTS CLUB IN TOKYO,  
AFTER COMPLETING TWO-YEAR STUDY OF KOREA. KAHN  
BELIEVES SK MAY SET AN EXAMPLE FOR DEVELOPING NATIONS  
IN HOW TO RISE RAPIDLY TO AFFLUENCE, AND PREDICTS  
ROK WILL MORE THAN DOUBLE GNP TO 2

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## Message Attributes

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